

AMENDED IN SENATE SEPTEMBER 13, 2001

CALIFORNIA LEGISLATURE—2001–02 REGULAR SESSION

ASSEMBLY BILL

No. 674

Introduced by Assembly Member Dutra

February 22, 2001

An act to add Section 7034.1 to the *Business and Professions Code*, and to add Section 21162 to the *Public Contract Code*, relating to ~~water~~ contracts.

LEGISLATIVE COUNSEL'S DIGEST

AB 674, as amended, Dutra. ~~Santa Clara Valley Water District Contracts.~~

Existing law, the Contractors' State License Law, prohibits a licensed contractor from inserting a provision in a contract that shields the contractor from liability when that provision has been determined to be void or unenforceable.

This bill would provide that a temporary employment agency, employment referral service, labor contractor, or other similar entity supplying an employee to a licensed contractor would not be required to secure the payment of compensation for any employee for whom the contractor is required to secure payment compensation. The bill would provide that this provision would be operative only if AB 1679 is enacted.

Existing law prescribes bidding procedures for any improvement or unit of work not performed by the personnel of the Santa Clara Valley Water District if the district estimates the work to cost over \$25,000.

This bill would authorize the district, upon approval of the board of directors, to use prescribed bidding procedures for building construction contracts.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. *Section 7034.1 is added to the Business and*
- 2 *Professions Code, to read:*
- 3 *7034.1. The temporary employment agency, employment*
- 4 *referral service, labor contractor, or other similar entity that*
- 5 *supplied the employee pursuant to Section 7034 shall not be*
- 6 *required to secure the payment of compensation for any employee*
- 7 *for whom a licensed contractor is required to secure payment of*
- 8 *compensation.*
- 9 SEC. 2. Section 21162 is added to the Public Contract Code,
- 10 to read:
- 11 21162. Notwithstanding any other provision of law, upon the
- 12 approval of the board of directors, and without the approval of the
- 13 board of supervisors, the district may use, for building
- 14 construction contracts, the procedures described in Section 20133,
- 15 as that section reads on January 1, 2002 or as it may be amended
- 16 after that date.
- 17 SEC. 3. *Section 7034.1 of the Business and Professions Code,*
- 18 *as added by Section 1 of this act, shall become operative only if*
- 19 *Assembly Bill 1679 of the 2001–02 Regular Session is enacted and*
- 20 *becomes operative on or before January 1, 2002.*

